



CABINET 11TH JULY 2018

SUBJECT: CORPORATE RISK REGISTER MONITORING (Q1 - 2018/19)

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To provide an update of the Corporate Risk Register (CRR) in accordance with the Council's Risk Management Strategy.
- 1.2 To note that the updated Corporate Risk Register will also be presented to Audit Committee so there is opportunity for the committee to satisfy itself, that appropriate arrangements are in place for the council's risk management processes to be regularly and robustly monitored and scrutinised.
- 1.3 Members have a critical role to play in evaluating the Council's Risk Management arrangements and in particular understanding how the Council identifies, manages and, where possible, mitigates/removes risk. Risk Management is crucial to the effective delivery of Council services.

2. SUMMARY

- 2.1 Under the Council's Risk Management Strategy, the Corporate Management Team (CMT) monitors the Council's Corporate Risks, and Audit Committee have the role of reviewing and challenging the risk register and where relevant, resultant action plans, for the Council's key strategic and corporate risks. The role of Cabinet is to receive six monthly progress reports on the Corporate Risk Register. The Risk Register has been reviewed and updated by CMT on the 14th June 2018 and the changes made are summarised in the table in 4.4.

Attached at Appendix 1 is the updated version of the Council's Corporate Risk Register.

3. LINKS TO STRATEGY

- 3.1 Management of risk is a crucial element in delivering Council Priorities and ensuring contribution to, the Well-being Goals as set out in the Well-being of Future Generations (Wales) Act 2015 [WBFGA]:
 - A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture & thriving Welsh language
 - A globally responsible Wales

4. THE REPORT

4.1 Part of Cabinet's role (as noted in the Council Risk Management Strategy 2017) is to:

- Approve the “risk appetite” of the Council i.e. the definition of high (red) risk, medium (amber) risk and low (green) risk as recommended by the Corporate Management Team.
- Approve the risk “appetite” in light of the new way to view risk through the lens of the sustainable development principles, the short/medium/long term, and the 7 Well-being Goals - Well-being of Future Generations (Wales) Act 2015.
- Hold the Corporate Management Team accountable for the effective management of risk.
- Monitor the arrangements for managing the Council's Corporate (Whole Authority) Risks, through six-monthly progress reports.
- Receive and review the risk register and resultant action plans for the top corporate risks.
- Make an appropriate allocation of resources to address identified risks and risk management framework.
- Ensure that appropriate and effective communication reporting lines are in place in the context of risk management.

4.2 The Corporate Risk Register is compiled generally in the following ways:

- Corporate Management Team (CMT) collectively identify organisational risks that arise from such sources; as national/regional agendas, changing legislation, budget settlements, partnership risks, project risks.
- CMT collectively identify whole authority operational risks that could result from regulatory inspections/reviews, political influences, work-force planning, performance management and from risks escalating from Directorate Risk Registers.
- Directors escalate operational risks that, in their opinion, require a corporate approach to their management.
- Strategic risks suggested by members.

4.3 The Corporate Risk Register is a 'living document' and may change when periodically reviewed and assessed. New risks introduced, existing risks closed, risk levels change (RAG-red/amber/green), mitigating actions and progress comments updated. See Appendix 1.

4.4 The Risk Management Strategy has been updated and approved (June 2017) and moving forward, Cabinet will receive six monthly progress reports on the Corporate Risk Register. A summary of the main changes in the Risk Register since the last report is provided in the table below:

Risks Removed	Risks Added	Risks Amended
CMT17 – Subsumed into CMT01	None	CMT01 - Actual Risk, Mitigating Actions and Comment.
CMT41 – Local Climate Impacts Profile		CMT16 - Mitigating Actions and Comment
CMT42 – Exit from EU		CMT29 - Comment
CMT46 – Cardiff Capital Region City Deal		CMT12/37 - Mitigating Actions and Comment
		CMT39 - Comment
		CMT44 - Background, Actual Risk and Mitigating Actions
		CMT45 - Background, Actual Risk, Mitigating Actions and Comment

Risks Removed	Risks Added	Risks Amended
		CMT47 - Comment

4.5 The attached register has been updated to reflect changes in the way risk is identified and assessed in light of the ‘duty’ to act sustainably (paragraph 5.2) which emphasises a long term and prevention aspect in the way we view risk, particularly its affects on citizens or their communities. The WBFGA legislation states in its guidance that a public body will need to change the way it manages risk. Under section 3 of ‘where change needs to happen’ of the Welsh Government Guidance, it states that:
“There will be long term risks that will affect both the delivery of your services but also the communities you are enabling to improve. Use the well-being goals and five ways of working to frame what risks you may be subject to in the short, medium and long term and together with the steps you will take to ensure they are well managed”.

4.6 Looking to the long term, does not mean short term risks go away, or that operational risks for example, are less important. It means we have to broaden our scope to include risks to the public, risks to services for those with protected characteristics and recognising strengths of communities as opportunities. The register template (Appendix 1) reflects this.

5. WELL-BEING OF FUTURE GENERATIONS

5.1 The Well-being of Future Generations (Wales) Act 2015 [WBFGA] identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen:

- Corporate Planning
- Financial Planning
- Workforce Planning
- Procurement
- Assets
- **Risk Management**
- Performance Management

5.2 The Corporate Risk Register incorporates the five ways of working (ICLIP) identified within the sustainable development principle in the WBFGA. These are:

- **Involving** a diversity of the population in the decisions that affect them.
- Working with others in a **Collaborative** way to find shared sustainable solutions.
- Looking to the **Long-term** so that we do not compromise the ability of future generations to meet their-own needs.
- Taking an **Integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives.
- Understanding the root causes of issues to **prevent** them from occurring.

5.3 Risks are assessed in terms of their implications for the wellbeing of future generations.

6. EQUALITIES IMPLICATIONS

6.1 The Local Government Measure defines fairness and access as one of the criteria that constitutes ‘improvement’ within the Wales programme for Improvement 2009.

6.2 Promoting equalities is a fundamental requirement of the Future Generations Legislation, with specific resonance for meeting the Well-being Goals of: *A More Equal Wales*, and *A Wales of Cohesive Communities*.

7. FINANCIAL IMPLICATIONS

7.1 There are no financial implications associated with this report.

8. PERSONNEL IMPLICATIONS

8.1 There are no personnel implications associated with this report.

9. CONSULTATIONS

9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

10. RECOMMENDATIONS

10.1 That Cabinet provides their views on the Corporate Risk Register and having done so endorse the update prior to presentation to the Audit Committee.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To be assured that the Council is managing its risks effectively and in compliance with the Council's Risk Management Strategy.

12. STATUTORY POWER

12.1 Local Government Measure 2009. Wales Programme for Improvement 2010. Well-being of Future Generations (Wales) Act 2015.

Author: Ian Raymond Performance Officer

Consultees: Cllr Barbara Jones Deputy Leader and Cabinet Member for Finance, Performance and Governance

Christina Harrhy Interim Chief Executive
Richard Edmunds Corporate Director for Education and Corporate Services
Mark S Williams Interim Corporate Director of Communities
Dave Street Corporate Director Social Services and Housing

Nicole Scammell Head of Corporate Finance / S151 Officer
Lynne Donovan Head of People Services
Robert Hartshorn Head of Policy and Public Protection
Kathryn Peters Corporate Policy Manager
Ros Roberts Performance Manager
Lisa Lane Interim Monitoring Officer
Anwen Cullinane Senior Policy Officer- Equalities & Welsh Language

Appendices: Appendix 1 - Corporate Risk Register (June 2018)

Background Reports: Cabinet Report 7th June 2017 – Corporate Revised Risk Strategy and Guidance